

School-Based Medicaid Funding

Office of Special Education

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Working Together for Student Success

School-Based Medicaid Funding Overview

- Brief Introduction on School-based Medicaid Claiming
- IEP Direct Services Claiming
- Medicaid Administrative Claiming (MAC) “IndianaMAC”
- Resources



What is Medicaid?

- Health care services provided to eligible low-income children, pregnant women, families, elderly, and disabled individuals.
- The State of Indiana defines the covered health care services that Medicaid will provide.
- Office of Medicaid Policy and Planning administers Indiana's Medicaid program.
- Jointly funded by the state and federal government.



School-Based Medicaid Claiming

- Two different types of School-based Medicaid Claiming, each paying for entirely different things based on completely different reimbursement methodologies:
 - (1) IEP Direct Services Claiming
 - Pays Medicaid rates for providing covered health-related services in the IEP of a Medicaid-eligible special education student.
 - (2) Medicaid Administrative Claiming (MAC)
 - Pays a portion of the school's costs for performing administrative activities to help students and families address unmet health needs.
- Participation in both programs is strictly voluntary
 - Schools may participate in one, both, or none



School-Based Medicaid Claiming: Year in Review

- (1) IEP Direct Services Claiming State Fiscal Year 2017
 - 166 school districts participated
 - \$15.5 million claimed
 - IPS claimed \$1,134,622.20
- (2) Medicaid Administrative Claiming (MAC)
 - 148 school districts participated
 - \$4.9 million claimed FFY 2016
 - Projecting to surpass \$5 million FFY 2017



School-Based Medicaid Claiming: Charter Schools

- (1) IEP Direct Services Claiming State Fiscal Year 2017
 - 4 Charter Schools participated
 - \$10,630.34 recovered
- (2) Medicaid Administrative Claiming (MAC)
 - 37 Charter Schools enrolled in program



School-Based Medicaid Claiming: DOE's Role

- The DOE works together with the state Medicaid agency
- Recommends state policy, rule, and legislative changes
- Maintains school-friendly technical assistance resources
- Provide on-site technical assistance support for Medicaid-participating public schools
- Monitor State's IndianaMAC contract
- Serves as a resource on “blended and braided funding” for school-community partnerships and state budgetary purposes



Using Funds Recovered Through Medicaid Claiming

- Proceeds from Medicaid:
 - Not considered program income for purposes of 34 CFR 80.25 with respect to the administration of federal grants and cooperative agreements.
 - Not considered state or local funds for purposes of maintenance of effort provisions. 511 IAC 7-33-4
- Typical Uses of Medicaid Funds:
 - Staffing: therapists, nurses, psychologists
 - Health screenings
 - Mental health services
 - Purchase/update specialized equipment



Which Schools Participate in Medicaid Claiming?

- School Corp Medicaid Reimbursements Report
 - Locate other charter schools that are already participating in either or both programs
 - Best position to provide candid input about the benefits and hassles of participation
 - First section of the report shows IEP Direct Service Reimbursements, total number of Medicaid-enrolled students, and number of special education students per district
 - Last section of the report shows MAC reimbursements and the percent of Medicaid eligible students per district



IEP Direct Services Claiming



IEP Direct Services Claiming: General Service Requirements

- Schools may access a student's public insurance benefits to cover the costs of providing **required related services** to that student.
- Reimbursed at Medicaid's rate for each covered "related" service provided per a Medicaid eligible special education student's IEP.
- 2 things school's must do:
 - (1) provide prior written notice; and
 - (2) obtain a signed Medicaid consent. 511 IAC 7-33-4
- There are many options and tools for incorporating and streamlining Medicaid billing into the school's day-to-day business processes



IEP Direct Services Claiming: General Service Requirements

- Medicaid will reimburse school corporations only for services that:
 - Are identified in an *eligible* student's IEP/IFSP,
 - Furnished by a Medicaid-qualified provider, and
 - When applicable, ordered/referred in writing by a physician/other licensed practitioner of the healing arts acting within the scope of his/her state licensure.
- Medicaid requirements including but not limited to: provider qualifications; procedure codes; reimbursement limitations; documentation requirements; and plan of care requirements.



IEP Direct Services Claiming: Medicaid Covered Services

- Occupational Therapy
- Physical Therapy
- Speech Therapy
- Applied Behavioral Analysis (ABA) Therapy
- Hearing Evaluation and Treatment Services
- Nursing Evaluation and Treatment Services
- Behavioral Health Evaluation and Treatment Services
- IEP Required Specialized Transportation



IEP Direct Services Claiming: Common Questions

- Will school Medicaid claiming affect a student's Medicaid benefits?
 - No, the school's claims are paid separately from and do not "count" against benefit limitations
- If the school bills for covered IEP-required services, will Medicaid also pay for other medically necessary services that an outside provider furnishes to the student?
 - Medicaid can pay the school corporation and other providers who furnish services outside the school setting as required to meet the child's medical needs on a 24/7/365 basis, provided such services are not duplicative.
- I thought the Special Education (IDEA Part B) funds cover the school's costs to provide IEP-required direct medical services.
 - Historically, Congress funds the Special Education mandate at less than 20% of total costs (the legislation calls for 40% federal/60% state funding).



Medicaid Administrative Claiming (MAC)

“IndianaMAC”



Medicaid Administrative Claiming (MAC): IndianaMAC

- IndianaMAC allows public schools, including charter schools, to recover unrestricted federal funds
- Reimbursements are paid quarterly
- Gives schools flexibility
 - Unrestricted options available to finance mandated educational services, materials, equipment, professional development, staff and parent training
- Supports schools ability to address, facilitate, and arrange students' unmet medical, dental, and mental health needs that impede learning



Medicaid Administrative Claiming (MAC): IndianaMAC

- PCG is the statewide vendor for processing all MAC claims.
- Each school must contract directly with PCG for
- 3 core components of Indiana’s federally approved school-based Medicaid Administrative Claiming methodology (“IndianaMAC”):
 - The statewide quarterly Random Moment Time Study (RMTS)
 - The Staff Pool List (SPL)
 - State and Locally Funded MAC Costs (Financials)



Medicaid Administrative Claiming (MAC): Examples of Reimbursable Activities

- Providing information to students and families about available public health care benefits
- Referring a student for mental health diagnostic and treatment services
- Gathering information necessary for service referrals
- Attending meetings or trainings related to Medicaid and medical services
- Developing strategies to improve health service delivery for school-age children



Medicaid Administrative Claiming (MAC): Charter Schools

- 37 of 104 Charter schools enrolled in the program
- Some compliance concerns:
 - Quarterly Financials – late submissions
 - 7 late – 3 were Charter Schools
 - Random Time Moment Study compliance rate
 - Current Rate: 98%
 - Must be at or above 85% compliance rate
 - 129 schools at 100%
 - 1 Charter School: 50%
 - Late submitting Certified Public Expenditure (CPE) Form
 - 3 late – all 3 were Charter Schools



Resources

- Learning Connection – IDOE Medicaid in Schools
- Medicaid Billing Toolkit
 - Nuts and bolts of schools enrollment
 - IEP service billing
 - Licensure/credential requirements
- Medicaid Billing Guidebook
 - High level overview intended as a starting place for schools exploring the possibility of Medicaid claiming participation
- DOE website – Special Education
 - School-based Medicaid web page
- National Alliance for Medicaid in Education (NAME)



Questions?

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